GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:88
ANSWERED ON:27.07.2001
BANK LOANS FOR WEAKER SECTIONS OF SOCIETY
PAWAN KUMAR BANSAL

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have shifted its focus on lending by nationalized banks to weaker sections of the society;

(b) if so, the details of guidelines regarding lending by banks to different sectors of economy and weaker sections of society; and

(c) the total non-performing assets of each public sector bank resulting from default by borrowers of money more than one lakh, ten lakhs and below Rupees one lakh, respectively?

Answer

FINANCE MINISTER (SHRI YASHWANT SINHA)

(a),(b)&(c): A Statement is laid on the Table of the House.

Statement referred to in reply to parts (a), (b) and (c) of Lok Sabha Starred QuestionNo.88 for 27.7.2001 raised by Shri Pawan Kumar Bansal regarding Bank Loans for Weaker Sections of Society.

(a): No, Sir.

(b): At present, a target of 40 per cent of Net Bank Credit (NBC) has been stipulated forlending to the priority sector by public sector banks. Within this, sub-targets of 18 per cent and 10 per cent of NBC have been stipulated for agriculture and weaker sections respectively. Further, banks cannot charge interest of more than Prime Lending Rates on loans upto Rs. 2.0 lakhs.

(c): The category-wise amount of Non-Performing Assets (NPAs) of public sector banksas on March 31, 2000 is given in the Annexure.